



THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON

December 12, 2006

The Honorable Henry A. Waxman
Ranking Member
Committee on Government Reform
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Waxman:

This is a follow-up to my letter of May 10, 2006, regarding your request for information on the Capital Asset Realignment for Enhanced Services (CARES) process for the West Los Angeles Department of Veterans Affairs (VA) Healthcare Center campus.

The Veterans Health Administration has prepared the enclosed fact sheet and two CD ROMs which provide the documentation that you and Chairman Tom Davis requested.

I wish to bring to your specific attention information contained in this material related to your requests #13 through #16 concerning environmental issues, and in particular, any possible radioactive medical wastes beneath or near the location of the Brentwood School's athletic fields. VA's response clearly identifies a number of independent consultants and Federal and state reports that reviewed this issue. The conclusion of all these reports is that there were no radioactive materials on the site. Unfortunately, a draft CARES report that should not have been released to your office contained an erroneous statement that indicated radioactive materials may be present on site. That draft CARES report was placed on your Web site. The contractor subsequently reviewed the reports and removed the reference from the final report to VA that will be released when I have made my decision regarding which options are to be studied in CARES Phase 2.

A recent Los Angeles Times article resurfaced this same issue. In order to alleviate the public's apprehension and validate that there is not any danger, the VA Greater Los Angeles Healthcare System has engaged the environmental consulting firm, Millennium Consulting Associates, to provide a new environmental assessment to check for radioactive waste contained in the soil in this area of the West Los Angeles VA campus. However, to avoid any further misunderstanding regarding this issue, I am requesting that you remove the draft CARES report from your Web site and when it is available replace it with the corrected final report.

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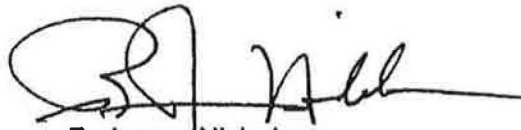
The Honorable Henry A. Waxman

The information provided to you in response to your request may contain trade secrets or confidential commercial or financial information which would be exempt from disclosure under the Freedom of Information Act (FOIA), 5 U.S.C. 552(b)(4). The information contained in the awarded contract provided to you for use in your capacity as Ranking Member of the Oversight Committee, would be considered as such information (5 U.S.C. 552(b) (4)). Although FOIA does not apply to the documents once they are released by VA to the Oversight Committee, we caution against further disclosure of the contractors' proposal because of the sensitive nature of the information contained therein. Other documents provided are only authorized for release to the Committee in its oversight capacity and we ask that they not be shared with the general public.

As the CARES process moves from development into implementation, we will continue to honor VA's commitment to provide quality care to our Nation's veterans. VA's goal is to continue to provide West Los Angeles veterans with quality health care and access to specialty services in a cost effective manner, while maximizing any reuse of the current VA property.

Thank you for your continued interest in health care for our Nation's veterans. A similar reply has been sent to Chairman Davis.

Sincerely yours,



R. James Nicholson

Enclosures

West LA VA Documents Index

VA CARES Contracts and Reports:

Document #1. PricewaterhouseCoopers MOBIS Schedule Contract Number GS-1 OF-0466N. Authorized federal supply service schedule price list.

Document #2. Capital Asset Realignment for Enhanced Services (CARES) Business Studies Contract V776P-0515. Base contract between PricewaterhouseCoopers and VA. Statement of work calls for contractor to develop a plan to maintain or improve quality and access, maximize reuse potential for the VA-owned site, provide a modern and safe health care delivery environment, and establish a cost effective physical and operational configuration of VA resources.

Documents #3-9. Modifications to original CARES contract. Includes the designation of the West LA VA as a Capital Comprehensive Site (Document #9).

Document #10. Enhanced-Use Lease Real Estate Advisory Service contract (V101(93)P-2174). Contract with MicroTech LLC to provide VA with technical, legal, and financial assistance with Enhanced-Use Lease projects in a manner that maximizes available benefits to VA.

Document #11. Comprehensive Reuse Study Task Order Number 3. Task order for MicroTech LLC to provide services at West LA VA to create a Property Reuse/Redevelopment Plan.

Documents #12 and 13. Modifications to Comprehensive Reuse Study Task Order Number 3 (Document #11).

Document #14. West Los Angeles Strategic Site Plan. Map of West LA VA provided to PricewaterhouseCoopers by VA.

Document #15. Detailed Statement of Work Attachment 1 to CARES contract 776-04-241 (Attachment 1). Description of specific needs and requirements for CARES contract 776-04-241.

Document #16. Sample Data for CARES contract V776-04-241 (Attachment 2). Sample data provided to PricewaterhouseCoopers for the purpose of illustrating desired data collection methodology to be used in implementing contract.

Documents provided to MicroTech:

Document #17. Request Plot Plan for West Los Angeles-Attachment A to Task Order Number 3. Plot map of West LA VA.

Document #18. Summary of the environmental and physical condition of VA. Describes basic specifications on West LA VA and its environs, including encumbrances/ barriers to development.

Document #19. CARES Decision Report-Attachment C to Task Order 3. Secretary's CARES Decision for VISN22 and West LA VA.

Document #20. West Los Angeles Reuse Data Call Results. VA data validation to contractor for CARES Reuse Studies.

Document #21. Letter regarding underground storage tank program. Letter from California Regional Water Quality Control Board to Tom Tripp of VA regarding Underground Storage Tank Program. Confirms the completion of site tank inspection and corrective action.

Document #22. Review of Government Furnished Documents & Data Gap Identification for Environmental Data. Horne Engineering Services' prepared summary of usability of government provided documents at six VA sites (contains no information on the West LA VA).

Document #23. Quality Assurance Plan. Describes PricewaterhouseCoopers' approach to Quality Assurance Plan for CARES Business Plan Studies.

Document #24. Methodology and Study Team Guide. Details PricewaterhouseCoopers' methodology for developing and completing business plan work and providing VA with recommendations.

Document #25. Stakeholder Input Analysis Report. Describes stakeholder concerns about development of West LA VA.

Document #26. CARES Stage 1 Summary Report for West Los Angeles. Summarizes current veterans' services provided, real estate market assessment, Business Plan Option development process and includes Comprehensive Business Plan Options.

Documents produced by MicroTech:

Document #27a. Phase I. Real Property Baseline Report and Analysis. MicroTech report of existing building overview, surrounding land uses, boundary survey, transportation amenities, land agreements and legal constraints and recommendations at West LA VA.

Document #27b. Phase I. Legal Review and Summary of Existing Encumbrances. Legal review and summary of existing encumbrances and existing occupancy agreements at the West LA VA.

Document #28. Phase I Environmental Baseline Reports.

a. Phase I. Environmental Baseline Report and Analysis. MicroTech report analyzes topography and hydrology, biological resources, geology and soils, landscape framework and environmental issues and hazards.

Document #28. Phase I Environmental Baseline Reports.

b. Phase I. Revised Environmental Baseline Report and Analysis. Revised MicroTech report analyzes topography and hydrology, biological resources, geology and soils, landscape framework and environmental issues and hazards.

Document #29. Phase I. High Level Reuse Potential Analysis Report.

Report assesses building reuse potential, includes reuse potential map, reuse potential spreadsheet and reuse strategies.

Document #30. Updated Phase I Deliverables. Includes original Environmental Baseline Report and requested modifications for the Reuse Potential Analysis Summary and Real Property Baseline Report.

Document #31. Phase II. Comprehensive Reuse Studies for West Los Angeles. Identifies potential range of uses and recommended options for

West LA VA, includes high-level market assessment, private financing and lending climate, discusses political and regulatory climate.

Document #32. VA Fiscal Quality Assurance Audits at West Los Angeles. Annual reviews which note deficiencies and corrective actions taken in accounting, payroll administration and employee accounts, personal funds of patients, agent cashier and general post funds.

Document #33. Information Paper compiled for VA. Memo regarding CARES Plan and VA Commitment to Non-Commercial Development. Memo addresses discrepancy between CARES plan and former Secretary Principi's commitments and how to resolve this discrepancy through definition of the term "commercial."

Document #34. Directive to Office of Strategic Initiatives. Identical to Document # 33.

Document #35. Memorandum from Director, Office of Strategic Initiatives to Chairman, West Los Angeles Advisory Panel regarding guidance to PricewaterhouseCoopers on term "commercial" for the West Los Angeles study. Memo from VA to Local Advisory Panel, provides guidance on the term "commercial."

Document #36. PricewaterhouseCoopers Technical Capabilities for the Capital Asset Realignment for Enhanced Services (CARES) Business Plan Studies contract. Report from PricewaterhouseCoopers, describes experience of the contractor, knowledge in operational and capital planning.

Document #37. MicroTech Technical Proposal for the Enhanced-Use Lease Real Estate Advisory Services contract. From MicroTech, includes understanding of the requirements/approach, personnel qualifications, past performance, quality assurance and metrics plan.

Document #38. S&S Construction Services and American Commercial Group Technical Proposal for the Enhanced-Use Lease Real Estate Advisory Service contract. Proposal from joint venture partners S&S Construction Services and American Commercial Group to advise re: Enhanced-Use Leases.

Document #39. Management Technology Consulting Technical Proposal for the Enhanced-Use Lease Real Estate Advisory Service contract.

Proposal from Management Technology Team to provide technical, financial and legal assistance for Enhanced-Use Lease projects.

Document #40. Pruitt Group EUL, LP Technical Proposal for Enhanced-use Lease Real Estate Advisory Service contract. Proposal to conceptualize, design and execute Enhanced-use Lease projects and transactions.

Document #41. Sharing Agreement Number V69IS-171. Enhanced Sharing Agreement between VA and sharing partner the Brentwood School.

Document #42. Sharing Agreement Number V69IS-203. Enhanced Sharing Agreement between VA and sharing partner Western States Design Inc.

Document #43. Sharing Agreement Number V69IS-159. Enhanced Sharing Agreement between VA and sharing partner Wadsworth Theater Management.

Document #44. Sharing Agreement Number V69IS-5257. Enhanced Sharing Agreement between VA and sharing partner the Salvation Army of Southern California.

Document #45. Memorandum of Understanding between Greater Los Angeles Healthcare System and California Department of Veterans Affairs (CDVA) for the purpose of allowing CDVA to construct a State Veterans Home. MOU to facilitate construction of State Veterans Home on 10 acres at West LA VA to provide nursing home care, domiciliary care, and adult day health care to veterans and their spouses in the greater Los Angeles area.

Documents 46-67. Enhanced Sharing Agreements with various television and film production companies.

Document #68. Fiscal Year 2003 Financial Projection. Financial Projections for Fiscal Year 2003, includes revenue, expenditures, collections and reimbursements.

Document #69. Fiscal Year 2004 Financial Projection. Financial Projections for Fiscal Year 2004, includes revenue, expenditures, collections and reimbursements.

Document #70. Fiscal Year 2005 Financial Projection. Financial Projections for Fiscal Year 2005, includes revenue, expenditures, collections and reimbursements.

Document #71. Fiscal Year 2006 Financial Projection. Financial Projections for Fiscal Year 2006, includes revenue, expenditures, collections and reimbursements.

Document #72. FY04 VA Enrollee Health Care Projection Model. Provides estimates of VA enrollees for FY 2003 and FY 2004.

Document #73. West Los Angeles Databook. West LA VA inpatient and outpatient projected utilization.

Document #74. VISN 22, California market enrollment by priority group graph. Provides estimates of California veteran enrollment by veteran priority level.

Document #75. West Los Angeles demographics of geographic areas. Provides Fiscal Year 2003 veteran populations in VISN22 and West LA.

Document #76. Overview of Programs for Homeless Veterans at West Los Angeles. Overview of the history and current scope of services for homeless veterans at the VA Greater Los Angeles Healthcare System (GLA) through its Comprehensive Homeless Center.

Environmental Documents:

Document #77. Brentwood School Project, Environmental Documents. Environmental Impact Report (EIR) for the Barrington Recreation Center Addition.

Document #78. Brentwood School Project, Soil Investigation Report. Soil analysis by URS Greiner Woodward Clyde.

Document #79. Phase I, Environmental Site Assessment, Brentwood School. Phase I environmental assessment of property, by URS Greiner Woodward Clyde.

Document #80. Environmental Assessment Report by Locus. Environmental assessment for Brentwood School Athletic Fields Grading Project and Recreation Facility Development.

Document #81. Soil Investigation Report by Locus. Results of soil sampling for Brentwood School Athletic Field Grading Project and Recreation Facility Development.

Document #82. Inspection for Asbestos Containing Materials for Various Buildings, Los Angeles, California. West LA VA asbestos building survey report.

Document #83. Re-inspection Asbestos Containing Materials VA-GLAHS Building 337. Asbestos reinsertion reports for several West LA VA buildings.

Document #84. West Los Angeles Asbestos & Lead Abatement Report. Report on the measures being implemented to mitigate potential asbestos health hazards.

Document #85. West Los Angeles Asbestos & Lead Abatement Report. Report on asbestos and lead abatement work completed on West LA VA buildings.

Document #86. West Los Angeles Asbestos & Lead Abatement Reports. Report on asbestos and lead abatement work completed on West LA VA buildings.